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FOR IMMEDIATE RELEASE

February 7, 2005

SENATOR HANSEN CLARKE VOWS TO STOP STATE RECEIVERSHIP OF DETROIT AND POSSIBLY SALE OF CITY WATER SYSTEM

Detroit lawmaker intends to remove the City of Detroit from being subject to state imposed receivership.

DETROIT- State Senator Hansen Clarke (D-Detroit) announced today that he will introduce legislation that will remove the city of Detroit from being subject to the Local Government Fiscal Responsibility Act, which currently allows the state to appoint receivers over municipalities in a fiscal emergency situation. The law would allow the appointment of a receiver who could order the sale of the water and sewerage system to retire city debt with the sale proceeds.

"As the failed results of the state takeover of the Detroit Public Schools have proven, state receivership of Detroit will likely leave the city financially weaker than it is now," Sen. Clarke explained. "Public officials govern best when they are fully accountable to the taxpayers and citizens. Officials tend not to work in the public's interest when they feel they don't have to answer the people. The state takeover of the Detroit Schools is such a disaster because the CEO does not have to answer to Detroit parents or taxpayers. A state takeover of the City of Detroit by a receiver will also likely fail to help the city. A receiver could sell the city's water and sewerage system to suburbs that have long desired to control it. This would be a crime. Detroit taxpayers have built this system and it is only fair that they should govern it," Sen. Clarke warned.

Sen. Clarke also intends to shift the political discussion away from imposing a receiver over the city to developing solutions that can improve the quality of life for Detroiters. Sen. Clarke and Detroit lawmakers will meet this week in Lansing to discuss how the state could better coordinate funding and services to the city.

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